



## **CARES Act Relief for Small Businesses and Private Non-Profit Organizations**

The [Coronavirus Aid, Relief, and Economic Security Act \(CARES Act\)](#) provides a number of programs to help cash-strapped small businesses and private non-profits get through the economic crisis created by the disease.

### **Paycheck Protection Program (PPP)**

- The program provides cash-flow assistance through 100 percent federally guaranteed loans to eligible employers who maintain their payroll during the COVID-19 emergency. PPP includes forgiveness of up to 8 weeks of payroll based on employee retention and salary levels, no SBA fees and at least six months of deferral with maximum deferrals of up to a year. Small businesses and other eligible entities will be able to apply if they were harmed by COVID-19 between February 15, 2020 and June 30, 2020. Loans are available through June 30, 2020.
- To learn more about eligibility and application procedures, please visit <https://www.sba.gov/funding-programs/loans/paycheck-protection-program-ppp>.

### **SBA loan debt relief**

- The CARES Act provides immediate relief to eligible small businesses and non-profit organizations with SBA 7(a), 504, and microloans. For existing borrowers, SBA will cover all loan payments on these SBA loans, including principal, interest, and fees, for six months. This relief will also be available to new borrowers who take out loans within six months of the enactment of the CARES Act. Debt relief is automatic, but you should check in with your lender. Under the CARES Act, the SBA is directed to make payments within 30 days of the date on which the first payment is due.
- To check if you are eligible for an SBA 7(a), 504, or microloan, please visit <https://www.sba.gov/funding-programs/loans>.

### **SBA Economic Injury Disaster Loans and Funding Advances**

- Under the CARES Act, the Economic Injury Disaster Loan (EIDL) program provides eligible entities with working capital loans of up to \$2 million that can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing.
- EIDL borrowers can also receive Economic Injury Disaster grants which provide an emergency advance of up to \$10,000 to small businesses and private non-profits harmed by COVID-19 within three days of applying for an EIDL. To access the grant, you first apply for an EIDL and then request the advance. The advance does not need to be repaid under any circumstance, and may be used to keep employees on payroll, to pay for sick leave, meet increased production costs due to supply chain disruptions, or pay business obligations, including debts, rent and mortgage payments.

- To apply for a COVID-19 Economic Injury Disaster Loan and Grant, visit <https://covid19relief.sba.gov/>.

**Additional questions?**

- If you need additional assistance, please reach out to the CNMI Small Business Development Center (SBDC) at 670-664-3018, the SBA Guam Branch Office at 671-472-7419 or the SBA Customer Service Center at 800-659-2955.

***DISCLAIMER:*** *This document is intended to provide preliminary guidance based on Congressional intent and does not constitute legal advice. It also does not replace official implementation guidance from the relevant territory and federal agencies.*